IN THE SPECIFICATION

Please amend the paragraph at page 1, lines 22-25, as follows:

The use of the MPEG2 compression scheme can realize high compression efficiency and favorable image quality by assigning a code amount (bit rate), for example, of 4 - 8 Mbps for a standard-resolution interlaced scanning image having 720 × 480 pixels or of 18 - 22 Mbps for a high-resolution interlaced scanning image having 1920 × ~~1088~~ 1080 pixels.

Please amend the paragraph at page 19, line 22, as follows:

The rate control circuit 32 uses different values 0 − [[52]] 51 as the quantizing parameter QP.

Please amend the paragraph at page 20, lines 28-29, as follows:

The avg_act in the following ~~(3-4)~~ (3-5) is a mean value of act_j in the pictures coded immediately before.

Please amend the paragraph on page 15, line 22, as follows:

$$\text{act}_j = 1 + \min_{\text{sblk}=1,8} (\text{var\_sblk}) \qquad \cdots \ (2\text{-}17)$$

Please amend the paragraph on page 15, line 23, as follows:

$$\text{var\_}sblk = \frac{1}{64} \sum_{K=1}^{64} (P_k - \overline{P})^2 \qquad \cdots \ (2\text{-}18)$$

Please amend the paragraph on page 20, line 20, as follows:

$$\text{var\_}sblk = \frac{1}{64} \sum_{K=1}^{64} (P_k - \overline{P})^2 \qquad \cdots \ (3\text{-}2)$$

Please amend the paragraph on page 20, line 25, as follows:

$$\text{act}_j = 1 + \min_{sblk=1,4} (var\_sblk) \qquad act_j = 1 + \min_{sblk=1,4} (\text{var}\_sblk) \quad \cdots \quad (3\text{-}4)$$

Please amend the paragraph on page 23, line 25, as follows:

$$\text{act}_j = 1 + var\_sblk \qquad act_j = 1 + \text{var}\_sblk \qquad \cdots \quad (3\text{-}7)$$

Please amend the paragraph on page 23, line 26, as follows:

$$var\_sblk = \frac{1}{256} \sum_{K=1}^{256} (P_k - \overline{P})^2 \qquad \text{var}\_sblk = \frac{1}{256} \sum_{K=1}^{256} (P_k - \overline{P})^2 \quad \cdots \quad (3\text{-}8)$$

Please amend the paragraph on page 24, line 31, as follows:

$$\text{act}_j = 1 + \min_{sblk=1,16} (var\_sblk) \qquad act_j = 1 + \min_{sblk=1,16} (\text{var}\_sblk) \quad \cdots \quad (3\text{-}10)$$

Please amend the paragraph on page 25, line 4, as follows:

$$\text{act}_j = 1 + \min_{sblk=1,4} (var\_sblk) \qquad act_j = 1 + \min_{sblk=1,4} (\text{var}\_sblk) \quad \cdots \quad (3\text{-}11)$$